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**THAKKER'S DEVELOPERS LTD.****NINETEENTH ANNUAL REPORT****Regd. Office :**

37/39, Kantol Niwas  
Modi Street, Fort,  
Mumbai - 400 001.  
Ph.No.- (022) 32450425 / 22679166 / 22615493  
E-mail ID - [info@thakkersdevelopers.com](mailto:info@thakkersdevelopers.com)

**Auditors :**

M/s. Govilkar & Associates.  
Chartered Accountants,  
Flat No.5/6, Patel Pride,  
Patil Lane No.2, College Road,  
Nashik- 422 005.  
Ph.No- (0253) 2574022

**Bankers :**

HDFC Ltd.  
Nashik People's Co-op. Bank Ltd.  
Janalaxmi Co-op. Bank Ltd.  
Godavari Urban Co-op. Bank Ltd.

**Nineteenth Annual General Meeting :**

Date : 23rd September, 2006  
Time : 12:00 noon.  
Venue : 37/39, Kantol Niwas  
Modi Street, Fort,  
Mumbai - 400 001.

**Board of Directors :**

Mr. Jitendra M. Thakker  
Chairman  
Mr. Rajendra M. Thakker  
Managing Director  
Mr. Narendra M. Thakker  
Director  
Mr. Chandrakant H. Thakker  
Director  
Mr. Mukesh K. Thakker  
Director  
Mr. Jaman H. Thakker  
Director

**THAKKER'S DEVELOPERS LTD.****NINETEENTH ANNUAL REPORT****THAKKER'S DEVELOPERS LTD.****NINETEENTH ANNUAL REPORT.****2005-2006****CONTENTS**

1)	Notice	—	03
2)	Director's Report	—	05
3)	Management Discussion and Analysis	—	07
4)	Corporate Governance Report	—	08
5)	Auditor's Certificate on Corporate Governance	—	12
6)	Auditor's Report	—	13
7)	Balance Sheet	—	16
8)	Profit And Loss Account	—	17
9)	Cash Flow Statement	—	18
10)	Schedules to & Notes on Accounts	—	19

**THAKKER'S DEVELOPERS LTD.****NINETEENTH ANNUAL REPORT****NOTICE**

NOTICE is hereby given that the NINETEENTH Annual General Meeting of the Members of the Company will be held at 12:00 noon on Saturday 23rd September, 2006 at 37/39, Kantol Niwas, Modi Street, Fort, Mumbai 400 001 to transact the following business.

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2006 and the Profit & Loss Account for the year ended on that date and the Reports of the Director's and the Auditor's thereon.
2. To appoint a Director in place of Mr. Narendra M. Thakker who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Chandrakant H. Thakker who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint M/s. Govilkar & Associates, Chartered Accountants, Nashik as Auditors of the Company to hold office from the conclusion of the Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

**SPECIAL BUSINESS**

5. To consider and if thought fit, to pass with or without modification, as an ordinary resolution

"RESOLVED THAT pursuant to the provisions of section 198, 269 and 309 read with schedule XIII and all other applicable provisions, if any of the Companies Act 1956, and of the Articles of Association of the company, the company hereby accords its consent and approval to the re-appointment of Mr. Narendra M. Thakker as the Director of the company for a period of five years with effect from 1st October, 2006 with the remuneration as approved by the remuneration committee in its meeting held on 31st May, 2006.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, in any financial year, the aforesaid remuneration by way of salary shall be payable to Mr. Narendra M. Thakker, as minimum remuneration."

**REGD. OFF. :-**

37/39, Kantol Niwas,  
Modi Street, Fort,  
Mumbai - 400 001

By Order of the Board of Directors

**PLACE : NASHIK**

**DATE : 31/05/2006**

**JITENDRA M. THAKKER**  
**CHAIRMAN**

**THAKKER'S DEVELOPERS LTD.****NINETEENTH ANNUAL REPORT****NOTES FOR MEMBERS ATTENTION :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. Shareholders holding shares in the same set of names, under different ledger folios are requested to apply for consolidation of such folios along with share Certificates to the Company.
4. Shareholders are requested to notify change in address, if any, immediately to the Company.
5. Shareholders are requested to bring their copies of Annual Report to the Meeting, copies of the Annual Report will not be available for distribution to shareholders at the Venue.
6. Shareholders attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Venue.
7. Members desiring any information as regards the Accounts are requested to write to the Company at least seven days in advance of the date of Annual General Meeting so as to enable the Management to keep the information ready.
8. The Register of members and the share transfer book will remain closed from 22nd September, 2006 to 23rd September, 2006. (Both days inclusive)
9. **The Company has made an arrangement with CDSL & NSDL for dematerialisation of shares. Members are requested to avail the facility of dematerialisation of shares of the company.**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT 1956**

The Directors have, on recommendation of remuneration committee and keeping in mind the experience expertise of business and in particular contribution made by Mr. Narendra M. Thakker in the overall development of the company, thought it justified the reappointment at a remuneration of Rs.21,500 per month.

The Board of Directors recommend the passing of the resolution as set out in item no.5 of the notice. Mr. Jitendra M. Thakker, Mr. Rajendra M. Thakker and Mr. Narendra M. Thakker are interested/ concerned in the passing of the resolution.

**REGD. OFF. :-**

37/39, Kantol Niwas,  
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Mumbai - 400 001

By Order of the Board of Directors

**PLACE : NASHIK**

**DATE : 31/05/2006**

**JITENDRA M. THAKKER**  
**CHAIRMAN**

**THAKKER'S DEVELOPERS LTD.****NINETEENTH ANNUAL REPORT****DIRECTOR'S REPORT****TO THE MEMBERS,**

The Directors hereby present their Nineteenth Annual Report on the business operations of the Company along with the audited statement of account for the year ended 31st March 2006.

**1. FINANCIAL RESULTS**

	<b>Year Ended 31.03.2006 (Rs. In Lacs)</b>	<b>Year Ended 31.03.2005 (Rs. In Lacs)</b>
Income	824.48	1323.72
Profit before Tax	85.95	130.29
Provision for taxation	27.30	46.92
Profit after Tax	62.34	83.37
Balance brought forward	324.04	240.67
Taxes for Earlier Years (Net)	(3.69)	0
Balance Carried forward	386.39	324.04

**2. DIVIDEND**

Your Board do not recommend any dividend for the year under review.

**3. OPERATIONS AND PROSPECTS**

During the year under review, your Company has handed over the possession of constructed flat / shops admeasuring about 55,387 Sq. Ft. worth Rs. 796.73 Lacs (Previous Year 31,608 Sq.ft. worth Rs. 378.01 Lacs). In addition to above, the Company also sold plots, lands etc. worth Rs. 244.28 Lacs (Previous Year Rs. 636.80 Lacs).

**4. DIRECTORS**

In accordance with the provisions of Section 256 of the Companies Act, 1956 and the Articles of Association of your Company, Mr. Narendra M. Thakker and Mr. Chandrakant H. Thakker, Directors of your Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

The terms of appointment and remuneration of Mr. Narendra M. Thakker, Director of your company is expiring on 30th September, 2006. Your Directors subject to approval of the members in the General Meeting propose to reappoint Mr. Narendra M. Thakker. Resolution for the purpose is proposed to be passed at the ensuing Annual General Meeting.

**5. AUDITORS**

Your Company's Auditors, M/s. Govilkar & Associates, Chartered Accountants, Nashik will retire at the ensuing Annual General Meeting and are eligible for reappointment. The company has received a letter from the auditors to the effect that their appointment, if made, would be within the prescribed limits under section 224(1B) of the companies Act, 1956.

**6. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to sub-section (2AA) of section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

**THAKKER'S DEVELOPERS LTD.****NINETEENTH ANNUAL REPORT**

- ii) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the period;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the annual accounts on a going concern basis.

**7. PERSONNEL**

The Directors wish to place on record their sincere appreciation of the contribution made by the employees of the company at all levels. None of the employee was in receipt of remuneration in excess of Rs.1,00,000/- pm. if employed for part of the year or at Rs.12,00,000/- p.a.

**8. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Corporate Governance and Management Discussion and analysis report as required under clause 49 of the listing agreement is enclosed herewith.

**9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

In view of the nature of activities which are being carried on by the Company, Rules 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, concerning conservation of energy and technology absorption respectively, are not applicable to the Company. There were no foreign exchange earnings and outgo during the year under review.

**10. AUDITORS REPORT**

Remarks in para 1 and 2 of Auditor's Report regarding non-provision of gratuity liability read with Note No. 4 to the accounts are self explanatory.

**11. ACKNOWLEDGEMENT**

The Directors acknowledge with pleasure the valued co-operation and continued support extended to the Company by its Financial Institutions particularly Housing Development Finance Corporation Ltd. and Bankers Nashik People's Co-op. Bank Ltd., Janalaxmi Co-op. Bank Ltd., Godavari Urban Co-op. Bank Ltd. The Directors are also happy to place on record their thanks to various departments of Government of Maharashtra and Municipal Authorities like Nashik Municipal Corporation, Maharashtra State Electricity Board for their valuable co-operation., Maharashtra State Road Transport Corporation.

For and on behalf of the Board of Directors.

**PLACE : NASHIK**  
**DATE : 31/05/2006**

**JITENDRA M. THAKKER**  
**CHAIRMAN**



**THAKKER'S DEVELOPERS LTD.****NINETEENTH ANNUAL REPORT****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****Industry Review**

Two years ago, there was a sizable boom in the real estate market. While the boom was all set to expand further, incentives from the Government in the last two Union budgets came on a very low key. Rates of interest on the loans for purchasing real estate shot up, and as a result, common purchasers' affordability began to come down. Yet, due to the boom in the overall economy, and thanks to the increasing demand of the I.T. sector, real estate market did manage to maintain an average standing.

The common purchasers were not quite enthusiastic because of the dearth of incentives in the last two budgets. However, the Central Government is expected to come out with sufficient incentives in the ensuing budget. Consequently, the real estate market is expected to look up once again evoking good response from the consumers at large.

We are sufficiently equipped to meet the demand of the coming good conditions. As of now, as many as 10 MSRTC projects on BOT basis are in the stage of rapid execution, and are hence expected to be completed within a year's time. Your company looks forward to make a good profit soon after their completion.

The Company is all set to embark upon the work of a massive commercial complex in the prestigious locality of Civil Lines in Nagpur city, the second capital of Maharashtra State.

The Company is also well-prepared to efficiently meet the advent of gigantic shopping malls in Nashik city, which is developing from strength to strength with an ever-growing demand for real estate in all segments of residential, commercial as well as retail.

**Human Resources**

Our Human Resources Philosophy is to provide the best to employees so that they in turn would give their best in their work. The procedures that we are following in this respect are found to be working effectively in various disciplines. This has resulted in reduced cost and timely deliveries leading to the full satisfaction of our customers. Our relations with the employees too continue to be cordial.

**Internal Controls**

Your Company has developed an effective internal control system for purchase, marketing and finance. These are upgraded as and when necessary so that transactions are correctly authorised and recorded. The system also ensures that the financial statements are realistic and helps the management to review the actual performance. These statements are extremely important because on their basis only, decisions are taken by the company from time to time.

**Dematerialisation of Company's Equity Shares**

Your Company has received permission for dematerialisation of Equity Shares from CENTRAL DEPOSITORY SERVICES LIMITED (CDSL) on **29/03/2005** & also from NATIONAL SECURITIES DEPOSITORY LIMITED (NSDL) on **18/01/2006**. The ISIN No. **INE403F01017** is allotted to our Company.

**For and on behalf of the Board of Directors.**

**PLACE: NASHIK**  
**DATE : 31/05/2006**

**JITENDRA M. THAKKER**  
**CHAIRMAN**



**THAKKER'S DEVELOPERS LTD.****NINETEENTH ANNUAL REPORT****CORPORATE GOVERNANCE REPORT**

Corporate Governance is Crucial for the existence of a company as it builds confidence and trust, which leads to more stable and sustained resource flows and long term partnership with its investors and customers. The importance of Corporate Governance lies in the contribution it makes to the overall growth and direction of the business, management accountability and transparency, mandatory provisions of Corporate Governance as stipulated under listing agreements of Stock Exchanges are being complied with.

The detailed report on Corporate Governance code in Compliance of clause 49 of the listing agreement with the stock exchanges is set out below.

**(A) COMPANY PHILOSOPHY ON CODE OF GOVERNANCE :**

Company believes that the corporate Governance provides a basis for corporate way of life including the structure through which the objective of the Company are set and means of attaining those objective and monitoring performance are determined. Your company makes best endeavours that resources are utilised in a manner which enables the company to fulfil its obligation to shareholders, customers, employees, financiers and society at large. Your company continues to follow procedures and practices in conformity with the code of Corporate Governance enshrined in the listing agreement.

**(B) BOARD OF DIRECTORS:**

There was no change in the composition of the Board during the year under review and it continues to comprise of 6 Members, Consisting of 3 Executive and 3 Non-Executive Director with considerable expertise and experience in business and industry, management, legal and marketing.

The Composition of the Board of Directors is as under.

Name	Category	No. of Board Meetings Attended	Attendance at last AGM	No. of other Directorship	No. of their committee membership
Jitendra M. Thakker	ED	14	Yes	31	1
Rajendra M. Thakker	ED	14	Yes	8	—
Narendra M. Thakker	ED	12	No	12	—
Chandrakant H. Thakker	NE & ID	12	Yes	10	1
Mukesh K. Thakker	NE & ID	6	No	1	2
Jaman H. Thakker	NE & ID	12	Yes	5	2
ED = Executive Director					
NE & ID = Non Executive & Independent Director					

**(C) BOARD PROCEDURE:**

The Board meets at least once a quarter to review the quarterly performance and the financial results. The Board meetings are scheduled well in advance and notice of each meeting is given to each Director. All major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, statutory compliances, accounting provisions are considered by the Board.

**During the financial year ended 31st March,2006 Twenty Two Board Meetings were held as under .....**

Sr. No	Date of Meeting	Sr. No	Date of Meeting
01.	15th April 2005,	12.	23rd July 2005,
02.	16th April 2005,	13.	28th July 2005,
03.	30th April 2005,	14.	30th July 2005,
04.	14th May 2005,	15.	27th August 2005,
05.	21st May 2005,	16.	17th September 2005,
06.	28th May 2005,	17.	29th October 2005,
07.	04th June 2005,	18.	03rd December 2005,
08.	11th June 2005,	19.	31st December 2005,
09.	18th June 2005,	20.	31st January 2006,
10.	25th June 2005,	21.	05th March 2006,
11.	16th July 2005,	22.	31st March 2006.

The last Annual General Meeting of the Company was held on 27th September 2005 which was chaired by Mr. Jitendra M. Thakker, Chairman of the Company.

**THAKKER'S DEVELOPERS LTD.****NINETEENTH ANNUAL REPORT****(D) CODE OF CONDUCT**

The Board has laid down a code of conduct for all Board Members and senior management of the Company. The same has been posted on the website of the Company. The members of the Board and senior management of the Company have submitted their affirmation on compliance with the Code of Conduct for the effective period. The declaration by the Director-in-Charge to that effect forms part of this report

**(E) AUDIT COMMITTEE**

The Audit Committee of the Company, provides assurance to the Board on the adequacy of internal control systems and financial disclosures. The terms of reference of the Audit committee are in accordance with the clause 49(ii) of the listing agreement.

The Audit Committee Comprises of 3 Directors

The Audit Committee is constituted in accordance with clause 49 of the listing agreement and the Companies Act 1956. All these Directors possess knowledge of corporate finance, accounts and Company Law. One of the Member acts as Chairman of the committee meeting. The Minutes of the Audit Committee meetings are noted by the Board of Directors at the subsequent Board meetings. The composition of the Audit Committee is as follows...

1. Mukesh K. Thakker
2. Jaman H. Thakker
3. Chandrakant H. Thakker

During the Financial Year ended March 31<sup>st</sup> 2006. Four (4) Audit Committee meetings were held. The attendance of the meetings is as under.....

No.	Name	13th June 2005	26th July 2005	25th October 2005	28th January 2006
01	Mukesh K. Thakker	No	Yes	Yes	No
02	Jaman H. Thakker	Yes	No	Yes	Yes
03	Chandrakant H. Thakker	Yes	Yes	No	Yes

**(F) REMUNERATION COMMITTEE**

The Company has not Constituted the Remuneration Committee. The details of remuneration of Chairman, Managing Director and wholetime Director for the Financial year 2005-2006 are given below.

No.	Name of Director	Remuneration Paid per month
1)	Shri. Jitendra Manohardas Thakker	Rs.35,000/-
2)	Shri. Rajendra Manohardas Thakker	Rs.25,000/-
3)	Shri. Narendra Manohardas Thakker	Rs.21,500/-

All the above directors were paid remuneration as accorded by the members in the General Meetings. The Company has no stock option scheme for any of its Directors. No remuneration is paid to non-executive Directors.